



Norman H. Bangert
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

January 25, 1989

TO: Board of Oil, Gas and Mining

THRU: Kenneth E. May, Associate Director, Mining *KEM*

THRU: Lowell P. Braxton, Administrator *LAB*

FROM: D. Wayne Hedberg, Senior Reclamation Specialist/Hydrologist *DWH*

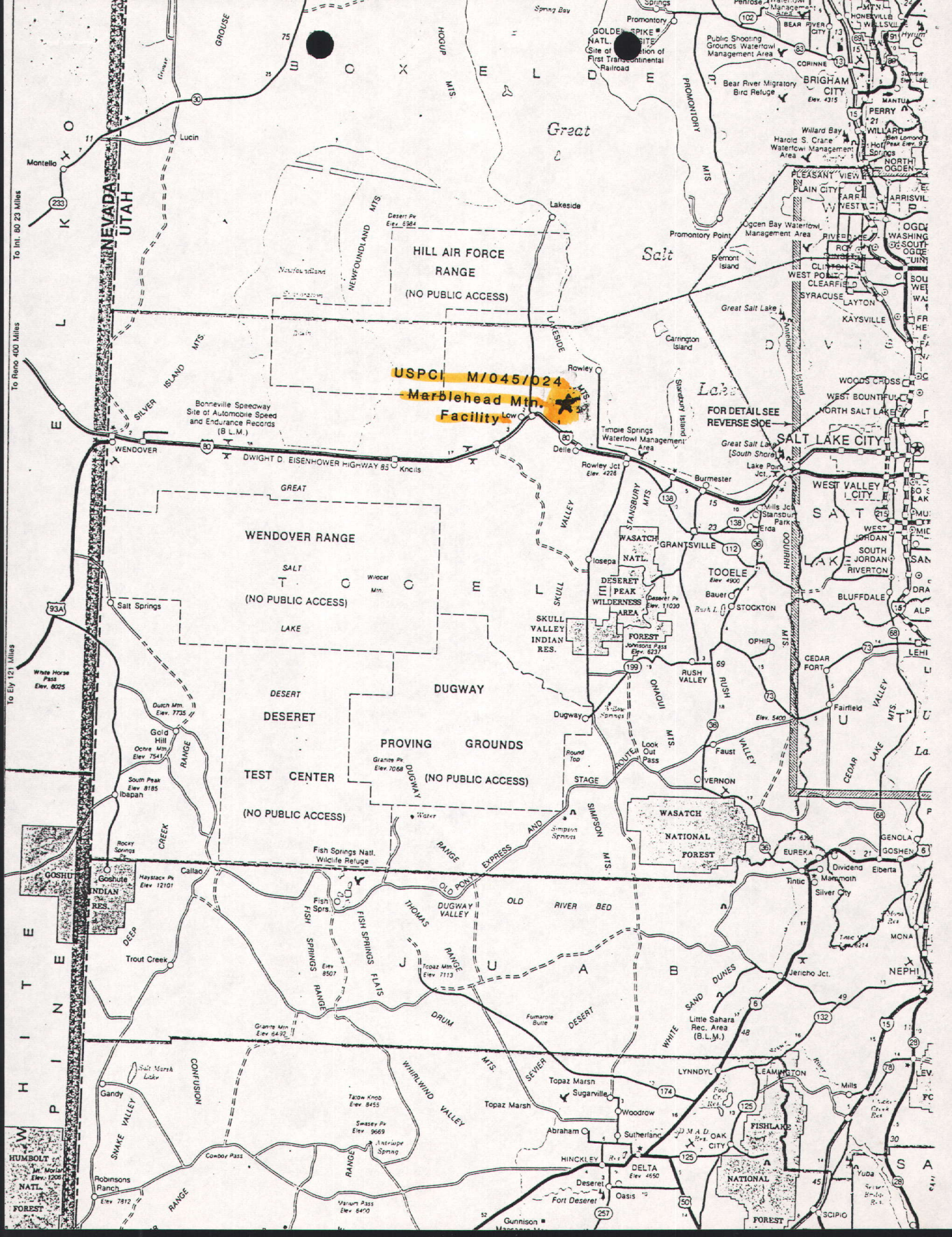
RE: Request for Board Concurrence, Amount and Form of
Reclamation Surety & Permit Transfer, Marblehead Mountain
Processing Facility, Utah Marblehead Lime Company/U. S.
Pollution Control Incorporated, M/045/024, Tooele County,
Utah

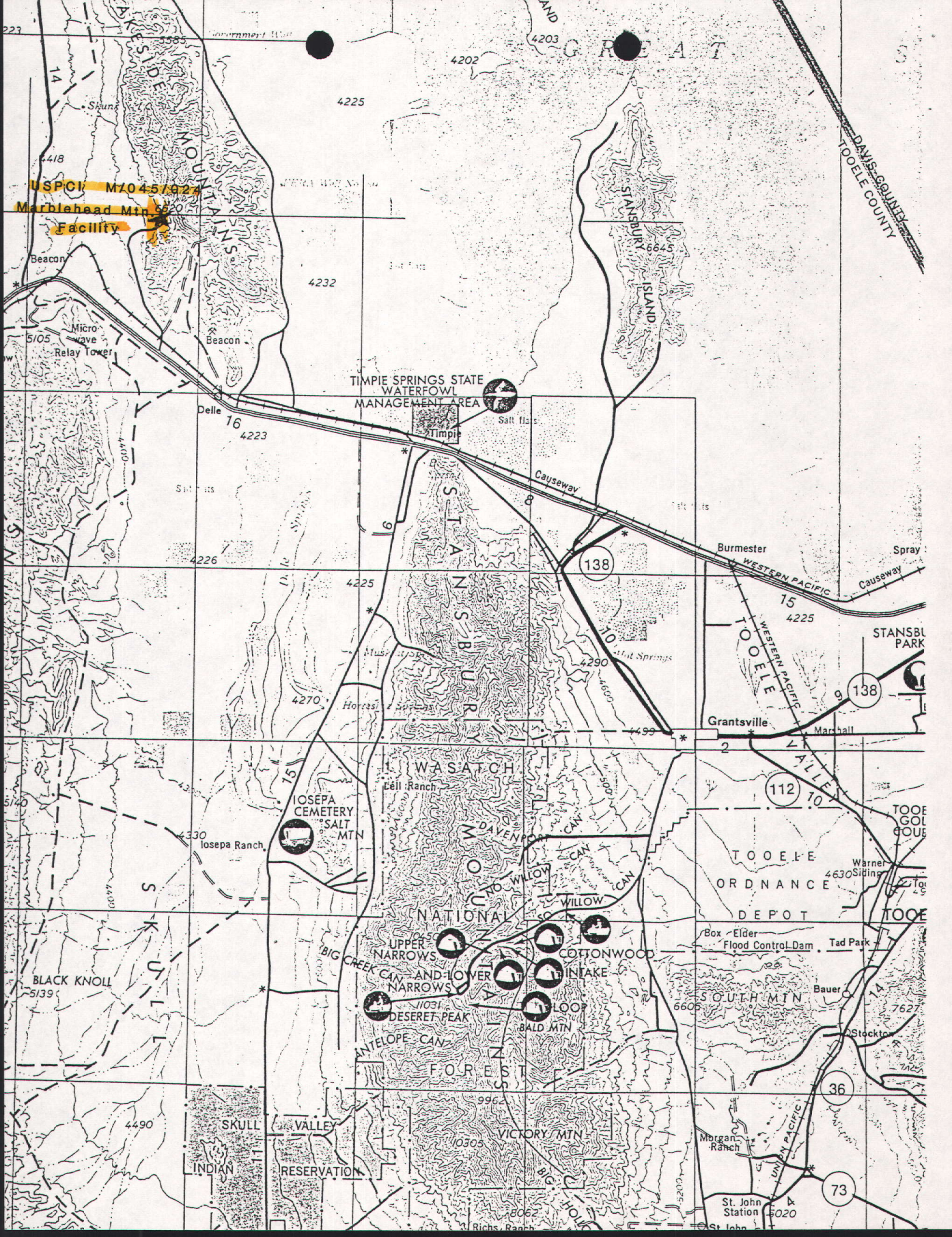
Attached for your information is a copy of the permit transfer documents and an updated Reclamation Surety Estimate for U. S. Pollution Control Incorporated's (USPCI), Marblehead Mountain Limestone Processing Plant, located in Tooele County, Utah. Utah Marblehead Lime Company has transferred 110 acres of their original 159 acre approved permit to USPCI, but will retain ownership and operation of the adjacent 49 acre limestone/dolomite quarry. Utah Marblehead Lime Company's original permit (M/045/003), included both the quarry and the processing plant. The Division also holds a revised \$51,400 reclamation surety bond from Marblehead Lime Company for the quarry site.

USPCI has submitted a recently revised reclamation surety (surety bond) in the amount of \$269,000 for reclamation of the disturbed area associated with this processing facility. A copy of the surety bond is attached for your review.

Upon the Board's acceptance of the amount and form of the revised reclamation surety, the Division will issue written approval to finalize the permit transfer between USPCI and Marblehead Lime Company.

DWH/jb
Attachments
MN2/45





U.S. POLLUTION CONTROL INCORPORATED
MARBLEHEAD MOUNTAIN PROCESSING PLANT SITE - M/045/024

Processing Facilities to be Reclaimed

<u># OF UNITS</u>	<u>DESCRIPTION OF FACILITY</u>
1	powder magazine
1	cap house
3	substations (@9 transformers)
3	crusher bldgs. (1st, 2nd, 3rd)
@2300 (ft)	conveyor belts & support structures (@12 primary & several shorter secondary belts)
1	truck scales
1	water well & small pump house
@3200 (ft)	rail trackage (2 tracks & 1 spur)
2	bag houses
2	rotary kilns
1	burner bldg.
1	office/warehouse/shop bldg.
1	conveyor junction bldg.
6	finished material bins
3	raw material bins
1	kiln bldg.
2	concrete reclaim tunnels
1	reject bin
@200 (T)	scrap steel (in storage)
1	water tank
1	power line & poles

USPCI Marblehead Mountain Plant Site

Reclamation Estimate M/045/024

Prepared by
Utah State Division of Oil, Gas and Mining
November 18, 1988

Description	Quantity	Unit	\$/Unit	Total Cost (\$)
Site Preparation				
Demolish and Bury Buildings	31,000	Square Feet	2.88	89,300
Remove Conveyor Structures	2,300	Linear Feet	3.50	8,100
Remove Railroad Tracks	3,200	Linear Feet	13	41,600
Remove Substations		Lump Sum		12,000
Remove Scrap and Trash		Lump Sum		8,000
Subtotal				159,000
Regrading				
Rip Roads	11,000	Linear Feet	0.80	8,800
Contour Disturbed Areas	65	Acres	545	35,400
Subtotal				44,200
Revegetation *				
Fertilizer	80	Acres	25	2,000
Seed Mix	80	Acres	114	9,100
Broadcast Seed and Fertilizer	80	Acres	24	1,900
Scarify Seed into Ground	80	Acres	23	1,800
Subtotal				14,800
				=====
Totals				218,000
Contingency (10%)				21,800

TOTAL RECLAMATION COST (1988 DOLLARS)				239,800
TOTAL RECLAMATION COST (1993 DOLLARS) @ 2.3% Annual Inflation				269,000

* Note: This estimate does not include the cost of
topsoil redistribution or mulch application.

m/045/024

MR FORM 5

(August 1985)
(Noncoal)

RECEIVED
DEC 14 1988

DIVISION OF
OIL, GAS & MINING

Bond Number _____
Permit Number ACT/045/003 024 DWH
11/30/89

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
(801) 538-5340

THE MINED LANDS RECLAMATION ACT

BOND

The undersigned USPCI, INC. 2000 Classen Center, Oklahoma City OK. 73106
as principal, and Safeco Insurance Company of America as
surety, hereby jointly and severally bind ourselves, our heirs, administrators,
executors, successors and assigns unto the State of Utah, Division of Oil, Gas
and Mining in the penal sum of Two Hundred Sixty Nine Thousand and No/100
dollars (\$ 269,000.00).

The principal estimated in the Mining and Reclamation Plan filed with the
Division of Oil, Gas and Mining on the 30th day of June
19 77, that 159 acres of land will be disturbed
by this mining operation in the State of Utah. A description of the disturbed
land is attached hereto as Exhibit "A."

When the Division has determined that the principal has satisfactorily
reclaimed the above-mentioned lands affected by mining in accordance with the
approved Mining and Reclamation Plan and has faithfully performed all
requirements of the Mined Land Reclamation Act, and complied with the Rules
and Regulations adopted in accordance therewith, then this obligation shall be
void; otherwise it shall remain in full force and effect until the reclamation
is completed as outlined in the approved Mining and Reclamation Plan.

If the approved plan provides for reclamation of the land affected on a
piecemeal or cyclic basis, and the land is reclaimed in accordance with such
plan, then this bond may be reduced periodically.

In the converse, if the plan provides for a gradual increase in the area
of the land affected or increased reclamation work, then this bond may
accordingly be increased with the written approval of the surety company.

The Division shall only accept the bond of a surety company if the bond is
noncancellable by the surety at any time for any reason including, but not
limited to nonpayment of premium or bankruptcy of the permittee during the
period of liability.

NOTE: Where one signs by virtue of Power of Attorney for a surety company, such Power of Attorney must be filed with this bond. If the principal is a corporation, the bond shall be executed by its duly authorized officer.

Dated this 12th day of December, 19 88.

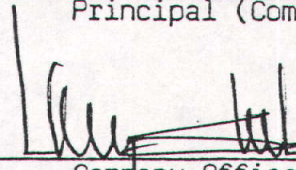
State of Utah
Board of Oil, Gas and Mining



Gregory P. Williams, Chairman (1/26/89)

USPCI, Inc.

Principal (Company)

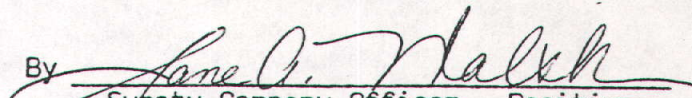
By 

Company Officer - Position
Larry Shelton, Executive V.P.

Date: December 12, 1988

Safeco Insurance Company of America

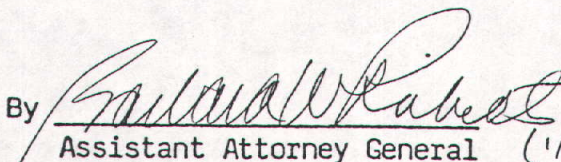
Surety (Company)

By 

Surety Company Officer - Position
Jane A. Walsh, Attorney-in-fact

DATE: _____

APPROVED AS TO FORM:

By 

Assistant Attorney General (1/4/89)

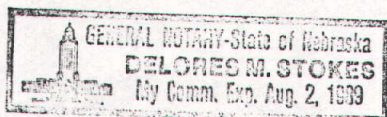
AFFIDAVIT OF QUALIFICATION

Jane A. Walsh, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attorney-in-fact of said Surety Company, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety Company is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

(Signed)

Jane A. Walsh
Surety Company Officer - Position
Jane A. Walsh, Attorney-in-fact

Subscribed and sworn to before me this 12th day of December, 1988.



Delores M. Stokes
Notary Public

My Commission Expires:

August 2,, 1989.



POWER
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA
GENERAL INSURANCE COMPANY OF AMERICA
HOME OFFICE: SAFECO PLAZA
SEATTLE, WASHINGTON 98185

No. _____

KNOW ALL BY THESE PRESENTS:

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

-----HARRY A. KOCH, JR.; DOUGLAS G. DURBIN; D. M. STOKES; HARRY D. KOCH;
PEGGY SAPIENZA; JANE A. WALSH, Omaha, Nebraska-----

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and attested these presents

this 11th day of April, 1986

CERTIFICATE

RECEIVED
DEC 14 1988
DIVISION OF
OIL GAS & MINING

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

Article V, Section 13 — FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business. On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Boh A. Dickey, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 12th day of December, 1988



Boh A. Dickey
BOH A. DICKEY, SECRETARY